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THE ECONOMIC ASPECT
OF THE
MONTAGU-CHELMSFORD
REFORM SCHEME

BY

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I

In the announcement of August 20th, 1917, the goal of the political aspiration of India is declared to be the "progressive realisation of responsible Government." In the Montagu-Chelmsford reform scheme, it is further defined as a "Central Government increasingly representative of and responsible to the people." I take this to mean that the people would be given control over the finance and the executive side of the Government when they are adequately represented on the Legislative Councils ; otherwise "responsible Government" would be quite meaningless.

As much would depend upon how matters shape themselves in the future, the august authors have not found it possible to state the amount of representation that would be needed for the control, and the limit of time within which it is likely to be achieved. In order to judge of the economic aspect of the scheme, however, it is essential that we should have some idea, however vague, of the time-limit.

There are some data which enable us to form such a rough idea indirectly. Almost ever since the establishment of British Rule, its exclusive policy in regard to the higher appointments has been protested against by various British administrators, and as long ago as 1833, a statute was passed which provided that no native of India "nor any natural born subject of His Majesty resident therein shall by

reason only of his religion, place of birth, descent, colour, or any of them, be disabled from holding any place, office, or employment under the said Government." The noble sentiment of this statute has been reiterated in official documents of which the most authoritative is the proclamation issued by Her Majesty, Queen Victoria, in 1858 when she assumed the direct Government of British India. Yet, it is only now that it is definitely stated by the illustrious authors, "that for all the public services for which there is recruitment in England open to Europeans and Indians alike," "a definite percentage of recruitment" is to be made in India. There is, I believe, at least one very important service—the Police—recruitment for which in England is not open to Indians. So it seems the higher grades of this department are not to be recruited in India at all. Besides, there is no idea given in regard to the Indian percentage of recruitment in services other than the Civil Service. Thirty-three per cent. of the posts in this service is to be recruited for in India now, and this percentage is to "be increased by $1\frac{1}{2}$ per cent. annually until the periodic Commission is to be appointed which will examine the whole subject." As the present Indian percentage in the Indian Civil Service is only 8·5 per cent., this means that about 1931, when the first Parliamentary Commission is likely to meet, about $25\frac{1}{2}$ per cent. of the Indian Civil Service will be composed of Indians, assuming the average annual vacancies to be 60. The percentage will be a little

higher, probably 27, if we take into account the number of Indians who enter that service through open competition in England. This is all one can safely reckon upon at present, for the next Parliamentary Commission may find it expedient to reduce the percentage of Indian recruitment, or may even stop it for a while.

It should be observed, in passing, that this recruitment of 33 per cent. appears to have been grossly misunderstood in some quarters. Even a veteran Indian politician of forty years' experience is reported to have said at a recent meeting :

"Now mark the great advance that is made there. At the present moment we are about 10 per cent. of the entire Civil Service. (A voice, 8 per cent.) I stand corrected. I think it is 8 per cent. Now I ask you to mark the great advance that is made here. The report says that 33 per cent. of the appointments in higher Civil Service should be given to Indians (applause) immediately. From 8 per cent. to 33 per cent. is, you must all admit, a great leap in advance. Nor is this all. Every year there will be an increase of one-and-a-half per cent. So that in ten years this advance of 33 per cent. will mount unto no less than 48 per cent. (applause)."

The truth is, as we have stated above, that in ten years the percentage will be about 27. It may be noted that Indian recruitment similar to what is proposed by the august authors has been attempted before now. The most noteworthy of these attempts was the creation of the Statutory Civil Service. But they failed. The way in which the illustrious authors propose to remove one cause of the failure—the differential scale of pay—is ingenious. They think, quite

rightly, that the "standard scales for all services should be fixed with reference to Indians recruited in India at rates sufficient to attract the best men available." But, "for persons recruited by reason of special qualifications obtained in Europe an extra allowance should be given to compensate them for the drawbacks and expenses of expatriation." It remains to be seen whether the extra allowance would not, in practice, be construed as higher pay, and whether the officers recruited in India would have the same status and enjoy the same opportunities of acquiring administrative experience as those recruited in England.

The authors rightly observe, that "it is a great weakness of public life in India to-day that it contains so few men who have found opportunity for practical experience of the problems of administration." They say further, that "it will henceforth be accepted as the duty of the European officers in the service of India to do all that lies in their power to fit Indians to take their places beside them." I am afraid, unless there is a sudden development of the altruistic sentiment to an enormous extent, of which there is no sign as yet, the majority of the European officers will find it extremely difficult to rid themselves of the bias of self-interest and of education and environment and fulfil the desire of the benevolent authors.

Now, as a preliminary step for the acquisition of administrative experience needed for Responsible Government the higher services should be Indianised to the extent of at least 60 per cent. Considering

the drawbacks and difficulties of the matter, and taking the most optimistic view possible, one could hardly expect the attainment of this percentage before the concluding quarter of the current century, that is about a century-and-a-half from the date of the Statute of 1833.

In regard to Responsible Representative Government in India such as is suggested by the august authors, the weight of authoritative opinion has hitherto been strongly against it. There are some Western thinkers who consider Representative Government to be a failure in the West.

"The professional politics of America," says Dr Jacks, "are corrupt and debased to an extraordinary degree.....As things now are America is not a self-governing country except in name. The power behind the government is the political machine, which is controlled by the 'bosses' and has become a veritable tyranny. The machine is a contrivance of remarkable ingenuity which can only be compared with the inventions of Edison, and its object is simply that of depriving free men of free use of their votes. I came in contact everywhere with men who groan under its tyranny."

In Great Britain, Mr. H. G. Wells observes :

"We do not have any Elections any more : we have Rejections. What really happens at a general election is that the party organisation—obscure and secretive conclaves with entirely mysterious funds—appoint about twelve hundred men to be our rulers, and all that we, we so-called *self-governing* people, are permitted to do is, in a muddled angry way, to strike off the names of about half of these selected gentlemen." "It is pathetic, I think," says Mr. Balfour, "to hear that so many of the most earnest men in modern Europe regard the representative system as almost played out—perhaps I am putting that too strongly, but not, I think, much too strongly—and as fit now only for Turkey or China."

There are others who without committing themselves to any opinion about the success or failure of the Parliamentary system in the West consider it quite unsuitable for India. She has never had such a rare combination of culture, philosophy, experience and liberality in a Secretary of State as in Lord Morley. Yet he declared emphatically :

“If my existence, either officially or corporeally, were prolonged twenty times longer than either of them is likely to be, Parliamentary system in India is not the goal to which I, for one moment, would aspire.”

“Is it conceivable,” asks Lord Crew, “that any time an Indian Empire could exist on the lines of Australia and New Zealand, with no British officials and troops, no tie of creed or of blood replacing those material bonds?” “In India,” says Lord Sydenham, “constitution-making is not studied, and I have been sometimes surprised to see colonial self-government advocated as a simple and natural development capable of early realization. I wonder if those who hold these views have any idea of what colonial self-government means.”

Now, if going with the current of authoritative opinion it takes the Indians at least a century-and-a-half to obtain a reasonable share in the administration, how long would it take them to attain the goal of self-government going against such opinion? Taking the most favourable view of the matter and assuming a change in the current in the near future, I do not think it can possibly take less than two centuries, which gives us the minimum time-limit.

This conjectural conclusion is confirmed by an important consideration. Whatever the form of Government, whether representative or not, whether

monarchical or republican, there can be no really responsible Government unless the people have a certain amount of fighting capacity. The development of this capacity is needed not only to resist foreign aggression, but also to extort rights, and to prevent any one section of the community from becoming too powerful. While human nature continues to be what it is, physical force, or at least the show of it, will remain a very important factor of politics, perhaps more important than representation. The English people are fairly well represented on their Government. Yet even the cultured ladies of England had recourse to physical force—nay to even brutal methods—to wrest what they consider to be their rights from Government.

Now our people owing to the Arms Act and various other causes have to a great extent lost the fighting capacity, and it is now confined to certain small sections of the community. Its restoration is necessary for Indian autonomy. But the august authors have not made any provision for adequate military training. The solution of the military problem is likely to take a long time.

To those Indian political leaders who want to expedite the consummation of Indian autonomy, the next periodic Parliamentary Commission might very plausibly urge, that they must see that the people are properly represented before they could recommend it, for otherwise it would be the substitution of one oligarchy by another; that the proportion of representation which obtains in the United Kingdom

should be taken as the requisite minimum ; that there nearly a fifth of the population are qualified electors ; and that India must wait until she could furnish the same proportion of eligible voters.

The Commission might further urge, addressing our political leaders :

“ It is a well-known fact that your people are not generally imbued with the Western political spirit. It is confined to a very small section of them who are educated on Western lines ; and unless election is to be a monumental sham, it would be extremely difficult to get together two million qualified voters at the outside now, that is to say about one-seventieth of the total population, for the whole of British India. This is the result of a century or so of English education. Making allowance for the fact that it is spreading much more rapidly now, it would take at least eight centuries to raise the proportion to that of the United Kingdom.”

This gives us some idea, though extremely vague, of the maximum limit of time.

I venture to think, that before starting the Indian people on such a long, and, as we shall see later on, such a costly pilgrimage to the shrine of self-government, the august authors of the Reform Scheme should have made a searching inquiry into their economic condition to see whether they could stand the journey, whether very large numbers of them might not perish of starvation on the way. Such an inquiry does not appear to have ever been made, or if it has been made, the results have not been published. The complaint of Sir Louis Mallet (who was for a long time Permanent Under-Secretary of State for India) that “ if there is any one thing which is wanting in

any investigation of Indian problems, it is an approach to trustworthy and generally accepted facts," and that he "found a strong repugnance to the adoption of any adequate measures for the collection of a comprehensive and well digested set of facts" still holds true. Even such facts as are in the possession of Government they appear to be unwilling to make public. In 1876, Mr. Dadabhai Naoroji made some elaborate calculations from which he deduced the annual average income of an Indian to be only Rs. 20. In 1882, Lord Cromer calculated that income to be Rs. 27 from data collected in a minute by Sir D. Barbour. Mr. Naoroji after repeated attempts failed to secure the publication of the data. The average annual income which Lord Cromer allows the people of India is small enough. But it is curious that a civilized and highly expensive Government—probably the most expensive in the world considering especially the material condition of the people—should not possess or publish reliable well-digested data for judging accurately whether that income had been larger or smaller before 1880, or whether it has been increasing or diminishing since. Yet, it is certainly very important that we should know this. For if the impoverishment of the Indian people which has been noted by various observers, English as well as Indian, almost ever since the establishment of British Rule is still going on—and there are experienced well-informed authorities who are of the opinion that it is—an immediate measure for relieving the stringency of the economic

situation is imperative, and not a constitutional reform realisable in the remotest future.

The economic condition of the people is the crux of Indian politics. Those of my Neo-Indian brethren who are striving for the control of the Government are actuated by various motives. I have no doubt that some are influenced by ambition, greed, or vanity. But I have also no doubt there are some who are actuated by selfless benevolence. They are so deeply impressed by the impoverishment of the multitude, that they wish to have the necessary power soon to better their condition. I must say, their ideas as to how this is to be done are at present of a most nebulous character. But there is no question of their goodness and sincerity.

The complexity of the machinery of the Government and its expenditure have been increasing apace. In 10 years, between 1901-2 and 1911-12, it rose from £59,681,619 to £78,895,416. The machinery is only a means to an end and that end is, or should be, the welfare of the people. The value of the machinery is to be tested by the amount of its contribution to that welfare. I know of no truth which is more obvious, but which, nevertheless, is more disregarded in Governmental circles, and in circles in any way connected with the Government. The expenditure of the Municipality of the town I am living in (Ranchi) has gone up in ten years from Rs. 71,038 to Rs. 1,37,100, and the incidence of taxation has risen from one rupee, one anna and ten pies to two rupees, three annas and two pies per head. But the death-rate has been increasing as steadily as the expenditure and the taxation. The operations of our Municipality exemplify in a small scale those of the Government.

I have got a garden in which irrigation is effected by a rather ingenious, though somewhat primitive, lever arrangement called *Láthá*. If I substitute a hand-pump for it, and then have a steam-pump and go on increasing the machinery, I would no doubt get kudos in some quarters as being very progressive and up-to-date. But unless I could afford to keep a show garden, it would behove me to consider whether the investments on the machinery

would be remunerative, at least in the near future. The consideration would be much more imperative if I held the garden in trust for a community of poor people who depended for their subsistence upon it. Our Government, however, goes on lavishly spending the hard-earned money of the multitude upon the expansion of its multifarious departments without apparently making any inquiry as to whether the departments are doing them any good or not, whether while the machinery of the administration is being expanded and amplified after the Western fashion, the vast economic gulf which separates them from the Westerner is being bridged or not. The Government with its numberless departments and the prosperous classes of new India consisting of zamindars, lawyers, money-lenders, etc., may be compared to an immense reservoir fed by various channels through which flow the resources of the people. For the betterment of their condition one of two things is necessary—either the supply at the head must be increased, or the tank must be made shallower.

We have no indication of either in the Report under review. The announcement that in all the services now recruited from England there is to be “a fixed percentage of recruitment in India increasing annually” is certainly welcome. But whether it will give any economic relief will depend upon (1) whether the numerical strength of the services is to be increased or not; (2) the amount of the “expatriation allowance” to officers recruited in England; and (3) the aggregate amount of the extra pension

of Rs. 1,000 suggested for services other than the Indian Civil Service. It is possible that the economic relief afforded by Indian recruitment may be more than counterbalanced by increase in the number of appointments and by extra expenditure under (2) and (3). Besides, the Scheme carries within it the seed of increased taxation. The political leaders of New India have for sometime past been very keen on Education and Sanitation, especially the former. A bill for compulsory education was introduced into the Imperial Council sometime ago, and attempts towards it are being made in the Provincial Councils. Now both Education (except collegiate education) and Sanitation are among the transferred subjects. Funds for them, however, would be available only after satisfying the claims of the Government of India and of the Provincial Government in regard to Reserved Subjects. The Indian political leaders would not have the funds needed for the spread of education and for carrying out any comprehensive scheme of sanitation without having recourse to taxation.

Confining ourselves to education alone, let us see what this means. As we have seen above, a century of education on Western lines has produced not more than two millions of people imbued with the Western political spirit, and that at the present rate of educational progress it would take at least eight centuries to raise a respectable number of more or less qualified voters. In order to cut short the probationary period of Indian autonomy, the Provincial

Councils would make vigorous efforts to spread Western education. I have elsewhere ("Illusions of New India") dwelt upon the baneful results of the propagation of such education. But assuming its desirability on political grounds, let us see what the acceleration of its speed means. The expenditure on education provided from public funds derived by taxation now aggregates over £4,000,000. For the accomplishment of the object of our political leaders to anything approaching tolerable satisfaction the expenditure would have to be increased very largely. The extra expenditure would have to be raised by taxation, which means that the incidence of taxation per head would have to be vastly increased. But there is a considerable body of weighty opinion that the limit of the capacity of our people to bear taxation has long since been reached. Sir C. A. Elliott observed when he was Settlement Officer, North-Western Provinces: "I do not hesitate to say that half our agricultural population never know from year's end to year's end what it is to have their hunger fully satisfied." Sir W. Hunter said in 1879, that "the fundamental difficulty of bringing relief to the Deccan peasantry is that the Government assessment does not leave enough food to the cultivator to support himself and his family throughout the year." He estimated that at least a fifth of our population lived on the brink of starvation. We have no evidence to show that matters have improved since the days of Elliott and Hunter. On the contrary, the greater frequency of famines, the enhanced indebtedness

of the peasantry, and the increased ravages of disease tend to show that they have been going from bad to worse, and that the vitality of our people has been steadily diminishing. Any considerable addition to taxation would mean their bleeding to such an extent as to leave but little blood in them to enjoy Responsible Government when they get it. The Government would then be responsible to a community of paupers and imbeciles preyed upon by tax-gatherers and usurers.

We thus see there is no prospect of any attenuation of the capacity of the reservoir which is fed by the resources of the people. On the contrary, it is likely to be considerably deepened. Let us see what chance there is of augmentation of supply at the head. One of the measures strongly advocated by good many of my Neo-Indian compatriots is the adoption of a protective tariff for the development of Indian industries by Indian agency. But the august authors point out, and quite rightly, that the effect of tariff would be, "that these industries will be largely financed by foreign capital attracted by the tariff." It is not foreign capital only that would be attracted, but foreign agency also, and the result of tariff would be enhanced drain on the resources of the people for the benefit of foreigners. Foreign capital would be welcome only if it could be utilised by native agency. But there is no chance of that, as foreigners are not only immensely wealthier, but are also vastly superior in technical and commercial experience.

The illustrious authors are conscious of the importance of the question "whether the general level of well-being could not be materially raised by the development of industries," and they devote one whole section to its discussion (pages 156—160). They appear to depend upon the following measures as calculated to bring this about :—

1. "That the Government must admit and shoulder its responsibility for furthering the industrial development of the country."

2. Extension of technical education, and "expansion of the technical services of the country."

3. "Provision of increased facilities for banking and credit"

4. Spread of education which is needed "to inculcate a higher standard of living" among labourers, and "so to secure a continuous supply" of labour.

As a matter of fact, Government *has* already admitted its responsibility and been trying during the last three or four decades to further industrial development. As long ago as 1881, Lord Ripon said in his address to the Delhi Municipality : "Yes, gentlemen, we do desire to avail ourselves of native industry to the utmost possible extent..it is a part of our policy that we should endeavour to encourage industry and develop it to the utmost of our power." Since Lord Ripon's time promotion of indigenous industry has been the declared policy of the Government, and Lord Curzon instituted scholarships for the technical education of Indians abroad. During the last two decades private effort has enthusiastically

co-operated with that of the Government, and various institutions for scientific and technical education have sprung up maintained by the State and by the munificence of public-spirited individuals. Besides, hundreds of our young men have been receiving technical training in Europe, America and Japan. But the result so far has been highly disappointing. Industrial development has, indeed, been going on apace lately especially in regard to mineral resources, but it has been effected mainly by foreign capital and foreign agency. That the betterment of the material condition of India chiefly depends upon her industrial development by indigenous agency is now generally recognised by my countrymen. And I know many with whom this recognition has not been confined to speeches and writings, but has been translated into action. But except in the Bombay Presidency, their endeavours have generally ended in failure. I have in my "Illusions of New India" (Ch. IV) tried to probe the causes of this failure. The most important among them is want of capital. Outside the Bombay Presidency there is but little of it available for industrial ventures on modern methods. The hoarded wealth of India is now a myth. Western enterprise has been attended by numerous failures. In mining ventures I doubt if even ten per cent. of the propositions taken up prove successful. But the Westerners being immensely wealthy the loss is but little felt by them. What the loss of a few *lakhs* is to them, that of a few hundreds is to Indians. Industrial development on up-to-date

methods is mainly a question of capital. How can a community the average annual income of whose members does not exceed two pounds compete successfully on equal terms with one the average income of whose members is more than twenty-one times as much and who, besides, have three-quarters of a century of technical knowledge at their back, and are endowed with superior industrial qualities the result of the operation of physical and other causes for many long centuries ?

Extension of technical education would no doubt provide employment for a number of young men in the technical services of the Government and in the subordinate establishments of the industries conducted by foreigners. But, under existing conditions, we cannot reasonably expect any large measure of industrial development by indigenous agency. The authors say they have been assured "that Indian capital will be forthcoming once it is realised that it can be invested with security and profit in India ; a purpose that will be furthered by the provision of increased facilities for banking and credit." I think the increased facilities would benefit the Westerners a great deal more than the Indians. The jute mills and the coal mines of Bengal, the petroleum wells of Burma, and various other industries have demonstrated that capital can be invested in them with as much security and profit as can be expected from any industries on modern methods. No Government could carry the demonstration further or guarantee greater security or larger profit ; yet, how much

Indian capital has been invested in them ? Government has for sometime past been in a way pioneering two of our largest industries, mining and agriculture, through the Geological Survey and the Agricultural Departments. But whatever benefit has accrued from them has been derived mainly by foreigners. There is no question of the potentialities of Indian industry. But their development by foreign capital and foreign agency adds but little to the wealth of the country.

The truth is, our Government however desirous it may be of encouraging indigenous industry, it cannot do so effectively, because it cannot make any difference between Indians and European British subjects and subjects of Powers in friendly alliance. Three or four decades ago the industrial situation of Japan was similar to that of India. Within that period Indians like the Japanese have been receiving higher scientific and technical education. The former are not less intelligent than the latter ; if anything, they are probably more so. Why has Japan advanced industrially so fast, while India has lagged behind so sadly ? The main reason appears to me to be that the Japanese Government has no difficulty in discriminating between the Japanese and the foreigners. When it helps industrial development, it helps such development by Japanese agency. On the contrary, when our Government helps industry, it virtually helps foreign industry in India, that is to say, spends a portion of the revenue derived by taxing the impoverished people of India for the benefit of foreigners. Is it possible for our Government to

enact laws which would prevent foreigners from owning shares in the great Indian Banks, from acquiring "the right to work mines," and from becoming "a member of the Stock Exchange," as the Japanese Government has done in favour of the Japanese? Just after the War with China, the Japanese Government saved the Industrial Bank of Japan from collapse by using a large portion of the Chinese indemnity, 3,740,000 *yen*, equivalent to Rs. 5,610,000, in taking over the debentures of the Bank. Is it possible for our Government to secure such indemnity for India, or to apply a large portion of it for the special benefit of a Bank conducted by Indians?

It is often urged, that the industries conducted by foreigners afford employment to our labourers, artisans, etc. The number of such employees according to the last census is only 2·1 millions, that is about 0·8 per cent. of the population. It is apparently to increase their number that the authors advocate the spread of education so as "to inculcate a higher standard of living" among labourers. I may here quote (with a few verbal alterations) what I have said elsewhere* in regard to a similar suggestion which was made before the Industrial Commission last year :

"The elevation of the standard of living of these people (the labourers) means :

(1) The substitution of the finer and cheaper mill-made, especially imported, fabrics for the coarser and dearer, though

* "Essays and Lectures on the Industrial Development of India and other Indian subjects," pp. 115—118.

much more substantial and durable hand-made clothes, and the more plentiful use of the former in the form of shirts, coats, socks, etc.

(2) The substitution of cigarette for *hooka* smoking, fine shoes for coarse sandals, sugar for *gur*, bottled and tinned medicines and foods for inexpensive indigenous simples and fresh foods, and of strong liquor for home brewed ale.

(3) The acquisition of such habits as tea-drinking and possibly also of a taste for expensive musical instruments, such as the harmonium, gramophone, etc., and for urban amusements, such as theatres, cinemas, etc.

Such 'elevation' no doubt translates the sparsely clad simple rustic into something of a fairly well draped 'gentleman' with 'gentlemanly' tastes,—a transformation which is usually applauded as 'progress'. It undoubtedly benefits the capitalists (mostly foreign) whose object is to exploit the peoples, particularly of Asia and Africa. But does it benefit the latter? Do they become healthier and happier? Decidedly not. The mill hands of Bombay, who, some time back, were described by the *Times of India* as 'Bombay's slaves,' and who are what the authors would like the factory and mine labourers of other parts of India to be, are certainly from all accounts much more miserable than any section of their congeners out in the country.

It would probably be urged that 'Bombay's slaves' are no worse than similar workmen in England, and that, in the interests of the community, it may be desirable to sacrifice the happiness and crush the manhood of a section of it. Certainly, from the strictly material standpoint, the formation of an industrial class in the modern sense has added very largely to the wealth and material prosperity of England. But would the creation of a similar class in India add appreciably to her wealth? I think not, and for the following reasons:

First, most of the large industries in India (including Burma) are owned and managed by Europeans, and I have elsewhere ('The Illusions of New India,' Ch. IV) shown, that, under present conditions, they would always remain overwhelmingly non-Indian.

So their profits would mainly go out of the country and the high emoluments of management would be chiefly shared by non-Indians.

Secondly, India, unlike England, is mainly agricultural and will always remain so. Agriculture being the main source of the wealth of the country, anything which interferes with its development is much to be deplored. At present the people who work in industrial concerns may, and sometimes do, on their return to their homes devote a portion of their savings to such development. But that would not be the case if they were enticed away from land altogether by urban 'comforts.' The propagandists of 'uplift' and of so-called 'education' have succeeded in manufacturing a good number of the most resourceful and intelligent of our cultivating class into clerks and lawyers. If the propagandists of industrialism succeed in converting any considerable section of them into adjuncts of the industrial machinery, they might well exclaim—'Save us from our friends!'

Thirdly, there are some cottage industries, notably the weaving industry, which though decadent, still maintain a struggling existence. Attempts are being made to enable them to hold their own by the introduction of improved appliances. If industrialisation after the Western fashion be carried to any considerable extent such attempts would fail, and the decadence of cottage industries, instead of being arrested, would be accelerated; directly, by the 'industrialised' like the 'educated' people ceasing to patronise the products of cottage industries, and, indirectly, by their frittering away upon unsubstantial 'comforts' and brummagem fineries, resources which might have gone towards the development of indigenous industry by indigenous agency. In fact 'elevation' of the standard of living and thorough industrialisation, under existing conditions, would, I am inclined to think, tend, on the whole, to impoverish rather than to enrich the Indian people. I have all my life been an advocate of technical education in India and of industrial development by indigenous agency, and I am not so blindly partial to cottage industries as to think that unsupplemented by power industries they would be able to stem the tide of foreign imports. But I would not, at the same time, take any steps which would be detrimental to the interests of cottage industries."

Forced, premature change in the standard of living has been doing incalculable mischief.

"Impoverishment is a comparative term. If one having comparatively more money than before, has yet less for his wants, he is certainly poorer. I do not think I am exaggerating when I say that the great majority of our middle class (including the well-to-do peasantry and artisans) have been impoverished in this sense. The candle burns at both ends. Their resources (though in many cases increased by high wages) are exhausted on the one hand by the inordinate enhancement of the prices of indigenous necessities, and on the other by the so-called "elevation" of the standard of living which is enlarging their wants. Even incomes which formerly would have been regarded as opulence are now hardly deemed to be bare competence. While milk and the various preparations of milk which form our principal articles of nutrition suited to the climate have become so very dear that the great majority of our middle class cannot afford to get them in sufficient quantity for bare subsistence, they have to spend comparatively large sums upon the gratification of the new tastes which have sprung up for clothing, shoes, socks, etc., and for amusements and games, such as theatrical performances, circuses, cinemas, billiards, football, tennis, etc., which have superseded the much less expensive indigenous amusements and games. For, the average man blindly follows the prevailing fashion; and with him show counts for more than substance, and the ornamental prevails over the useful."*

Industrial development by indigenous agency is the only way in which a Government can most effectively help the material advancement of its subjects. Unfortunately our Government is so situated that, I am afraid, it cannot do that. If this is the truth, as I am strongly inclined to think it is, the sooner it is recognised the better would it be for all parties. Facts must be taken as actual, and it

* "Survival of Hindu Civilization, Part I, The Impoverishment of India and its Remedy," pp. 32-33.

would be best for my Neo-Indian brethren not to delude themselves with hopes, which, reason tells us, can never be realised.*

* My criticism here has been destructive. I may say, however, that I have suggested a solution of the Industrial problem in my "Impoverishment of India and its Remedy."

III

There is a hope held out by the illustrious authors, that the "castle-in-the-air" character of the Legislative bodies is to be removed by broad-basing it upon local self-government. The principle which is to govern it has been laid down in the following formula :—

"There should be, as far as possible, complete popular control in local bodies, and the largest possible independence for them of outside control."

Everything would depend upon the interpretation which, in practice, is put upon the qualifications, "as far as possible," and "the largest possible."

As I have said elsewhere,* "from time immemorial, the village has been the Soul of India, and until the establishment of British Rule enjoyed a very large measure of self-government. The villages managed their own affairs relating to law, education, police, sanitation, public works, etc., in a way which was well suited to their social and material condition. Village self-government was the one vital thing in the country which not only kept society together but made it prosperous despite the divisions of caste and despite the misrule of tyrannically and viciously disposed despots, whether Hindu, Buddhist or Mahomedan. The Central Government might be dead and rotten to the core, but that did not seriously affect the village life."

* "Give the People back their own" (an open letter to His Excellency the Viceroy).

Village self-government is not a new thing for India ; it is not a boon to be conferred but a right to be restored, not a generous gift, but a just reparation of a grave injury, not a new structure but an old one to be rehabilitated.

“Village self-government raises no question of the Indian domination of the kith and kin of the British Government, of the substitution of one oligarchy by another, of the suitability or unsuitability of the Western Parliamentary system, and of the attainment of the qualifications requisite for it, and I see no very serious objection to its being granted at once.”*

Village Councils would afford a strong foundation for the building up of the structure of Responsible Government. Representatives of the Village Councils could be sent to the Circle Councils, and thence to the District Boards, and from these Boards to the Provincial Councils. The problem of Representation would thus be solved without much difficulty.

If, however, the Bengal Village Self-Government Bill, which has been quite recently introduced into the Bengal Legislative Council apparently based on the principle enunciated above, is an indication of the sort of self-government which the Village Councils are to be endowed with, they would, I am afraid, partake more or less of the make-believe character of the Legislative Councils. We cannot have any better indication. The latest views of the Government of India are reflected in it, and it has been introduced by the Indian Member of the Executive Council of Bengal, an ex-President of

* “Give the People back their own,” p. 35.

the Indian National Congress, who was the first Indian Member of the Executive Council of the Government of India.

The following extracts from an article which I contributed to a recent issue of the *Modern Review* (June, 1918) criticising the Bill will give an idea of the sort of Village Councils which the Bill proposes to establish :—

“It is undoubtedly necessary that Government should exercise a certain amount of control over the village committees. But self-government to be successful must be real, and the control should be so exercised that the committees may feel it as little as possible, and that their sense of responsibility may not be impaired. Too much supervision, too many rules and regulations, and too rigid observance of these would deprive them of the amount of freedom, initiative, prestige and responsibility which is essential for the success of the measure.

The Dafadars and Chaukidars will be the most important, if not the only servants of the village. They are, of course, to be controlled by the village committee, and are enjoined to obey its orders in regard to keeping watch in the village, and in regard to other matters connected with their duties (clauses 22 and 26 ix). These duties, however, are prescribed (clause 26) in such a manner that they could be performed independently, without any reference whatever to the committee. Their allegiance would apparently be divided between three masters—the nearest police officer, the circle officer (representing the District Magistrate), and the village committee. And as their appointment, punishment, and dismissal, and the determination of their pay and equipment would rest with the officials (clauses 23, 24 and 25), it is not difficult to predict whom they would try to please and who would really control them. The ‘self-government’ of the village committee would thus become a high-sounding, solemn sham. No capable, self-respecting man

would desire the position of a 'master' who has but nominal authority over his servants.

Maximum of authority and minimum of control should be the fundamental principle of genuine local self-government. The village committee, however, has, as we have just seen, been entrusted with the minimum of authority, and has, as we shall presently see, been burdened with the maximum of control, and control too of a most undesirable character. The control is vested partly in the circle boards and partly in the District Magistrate. In both cases it would practically be in the hands of the circle officers, who are, I believe, usually, if not invariably, young Sub-Deputy Magistrates. This conclusion is confirmed by Sir Satyendra Prasanna Sinha's statement 'that it is intended that the new system should be introduced gradually in districts where the circle system has been introduced, and circle officers are available to assist the village committee.' The 'assistance' would virtually mean control. Man, as ordinarily constituted, is fond of the exercise of power; and the younger and more energetic he is, the more marked is this fondness. Actuated by it, if not, in some cases, by any baser motive, the Sub-Deputies and possibly also the Sub-Inspectors of the nearest police stations, to whom also the Chaukidars and Dafadars would be partly subordinate, would, I have but little doubt, often needlessly meddle with the work of the village committees and hamper it. In fact the 'assistance' would, I am afraid, be often rendered in such a manner as to make the village committee the lowest and the most subservient link of the official chain, and 'self-government' a farce. An exceptionally broad-minded, sympathetic, energetic and experienced District Magistrate would no doubt keep his subordinates in check. But such officers are rare. Besides, under the present system of administration, the man is generally swallowed up in the machine, and even the best of district officers would not have much scope for freedom and initiative. For, cut and dry rules would be framed by Government 'regulating the powers and duties of village committees in regard to sanitation, conservancy, drainage, buildings, roads, bridges and water-supply,' and 'in regard to schools and dispensaries,' etc. (clause 111, 2i), and the function of the district officers would be to see that the

rules are observed—a function which would be usually performed by their subordinates the Sub-Deputies.”

“Government proposes to overcome ‘the evils which menace health and life’ and which have been gradually growing in enormity and intensity by the expansion of the Sanitary Department so that the Sanitary Commissioner may have ‘a large executive agency’ to see that the ‘model rules of village hygiene’ framed by Government are carried into practice. And the money required for ‘the sanitation, conservancy, drainage and water-supply of the village, for the establishment, repair, maintenance or management of primary schools and dispensaries, for any other local works likely to promote the health, comfort, and convenience of the public,’ as well as ‘for the salaries and equipment of the Dafadars and Chaukidars, and the salary of the Secretary (if any)’ is to be raised by taxing the villagers (clause 38 of the Bengal Village Self-Government Bill).

It is not difficult to predict, that in the great majority of cases, especially if the principles underlying the Bengal bill be applied to all other parts of India, this method of financing the proposed Village Committees would be productive of great hardship, would, in fact, lead to increased impoverishment and consequent further decrease of vitality and aggravation of the evils which menace health and life.”

The economic problem is the most pressing and the most immediate of all the problems with which we are confronted to-day. More food or more nourishing food is the most urgent need of ninety per cent. of our people. The Montagu-Chelmsford Scheme not only does not hold out any prospect of their being able to obtain it, but, on the contrary, as it is likely to lead to largely increased taxation, it is calculated to add to the heavy load of their misery.

